

JAMES E. HOWARD LLC
ONE THOMPSON SQUARE
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CHARLESTOWN, MA 02129

TEL (617) 886-9322
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August 24, 2005

VIA FEDERAL EXPRESS

Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

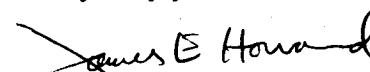
Re: Finance Docket No. 34734
Northeast Interchange Railway, LLC--Lease and Operation
Exemption--Line in Croton-on-Hudson, New York

Dear Secretary Williams:

Enclosed for filing in the above-captioned matter are the original and 10 copies of the "Petition of Northeast Interchange Railway, LLC for Leave to Supplement Record". Could you please date stamp the enclosed extra copy of the Petition and return it to me in the enclosed self-addressed, stamped envelope?

If you have any questions with respect to this matter, please direct them to me.
Thank you very much for your assistance.

Very truly yours,

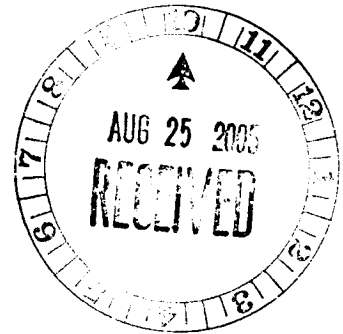

James E. Howard

Enclosures
cc: Andreas Y. Gruson

ENTERED
Office of Proceedings
AUG 25 2005
Part of
Public Record

214583

BEFORE THE
SURFACE TRANSPORTATION BOARD



Finance Docket No. 34734

NORTHEAST INTERCHANGE RAILWAY, LLC -- LEASE AND OPERATION
EXEMPTION -- LINE IN CROTON-ON-HUDSON, NEW YORK

PETITION OF NORTHEAST INTERCHANGE RAILWAY, LLC
FOR LEAVE TO SUPPLEMENT RECORD

James E. Howard
One Thompson Square
Suite 201
Charlestown, MA 02129
Tel. No. 617-886-9322

Attorney for Northeast Interchange Railway, LLC

Dated: August 24, 2005

ENTERED
Office of Proceedings

AUG 25 2005

Part of
Public Record

BEFORE THE
SURFACE TRANSPORTATION BOARD

Finance Docket No. 34734



NORTHEAST INTERCHANGE RAILWAY, LLC -- LEASE AND OPERATION
EXEMPTION -- LINE IN CROTON-ON-HUDSON, NEW YORK

PETITION OF NORTHEAST INTERCHANGE RAILWAY, LLC
FOR LEAVE TO SUPPLEMENT RECORD

On August 1, 2005, Northeast Interchange Railway, LLC ("NIR") filed a "Verified Notice of Exempt Transaction" (the "Notice") pursuant to 49 C.F.R. 1150.31-1150.34 in order to lease and operate a rail line located in Croton-on-Hudson, New York. In a decision served on August 5, 2005, the Board delayed the effectiveness of the Notice in order to permit NIR to provide additional information in response to a petition to revoke the Notice filed on behalf of the Village of Croton-on-Hudson, New York (the "Village").

Subsequent to August 5, 2005, certain persons have apparently sent letters to the Board expressing their opposition to the Notice and urging the Board to reject the Notice or hold public hearings or both. The Board has not requested any such letters and has not published any notice requesting public comments. For the most part, these letters were not served on NIR, and NIR has obtained the letters only by means of requesting the authors to provide copies or through third persons, such as media sources. So far as NIR is aware, no author of any such letter has sought Board authority to become a party to or intervenor in these proceedings, nor has the Board granted any such authority.

NIR understands that some or all of the letters in question have been made part of the correspondence section of the public docket for these proceedings, perhaps indicating a concern that the letters may constitute ex parte communications. See 49 CFR 1102.2(e). It is not clear at this time whether or to what extent the Board may take any such letters into account or make them part of the record for purposes of deciding whether the Notice should become effective. What is clear, however, as described below and in the NIR letters attached hereto as Exhibits A through C, is that certain of the letters contain substantially incorrect allegations of "facts" and attempt to draw unsupportable conclusions.

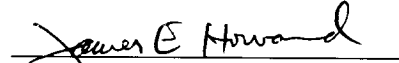
Exhibit A hereto is a letter to Thomas J. Abinanti, who describes himself as a "Westchester County Legislator and the Chairman of the County's Committee on Solid Waste and Recyclables", in which NIR refutes the wholly unsupported and unsupportable implication by Mr. Abinanti that NIR and its affiliates have a connection with organized crime and explains its efforts to obtain licenses from the New York State Department of Environmental Conservation and the Westchester County Solid Waste Commission. Exhibits B and C are letters to Congresswoman Sue Kelley and Senator Charles E. Schumer, respectively, explaining, contrary to their assertions, that NIR, even though it will be a rail carrier, intends to operate in accordance with state and local environmental regulations applicable to waste transfer stations.

For the reasons outlined above, NIR requests an opportunity to supplement the record by the submission of the 3 letters attached hereto as Exhibits A, B and C. To the extent that the letters to which such exhibits respond are considered by the Board, fairness requires that NIR have an opportunity to respond. Furthermore, if the Board

proposes to rely on any letters in addition to the 3 to which NIR has responded, NIR respectfully requests an opportunity to reply to any such letters.

Respectfully submitted,

NORTHEAST INTERCHANGE RAILWAY, LLC

A handwritten signature in cursive script, appearing to read "James E. Howard", is written over a horizontal line.

James E. Howard LLC
One Thompson Square
Suite 201
Charlestown, MA 02129
Tel. No. 617-886-9322

Attorney for Northeast Interchange Railway, LLC

Dated: August 24, 2005

REGUS INDUSTRIES, LLC

2730 Transit Road
West Seneca, NY 14224

Phone: (716) 675-2700

Fax: (716) 675-3996

"Solid Waste Rail Transportation, Logistics & Disposal"

August 23, 2005

Legislator Thomas J. Abinanti
Westchester County Board of Legislatures
800 Michaelian Office Building
148 Martine Avenue
White Plains, NY 10601

Northeast Interchange Railway, LLC - FD 34734

Dear Legislator Abinanti:

I have obtained a copy of a letter you submitted on August 12, 2005 to the Surface Transportation Board ("STB") regarding Northeast Interchange Railway, LLC's ("NIR") (FD 34734) Notice of Exemption to commence railroad operations in Croton-on-Hudson, New York. While you claim to have read NIR's filings with the STB, you fail to have even the most basic understanding of the facts at hand.

We wholeheartedly agree with the premise and objectives of the Westchester County Solid Waste Commission ("Commission"), and thus we filed a license application with the Commission in March of this year. We understand from a conversation with the Executive Director of the Commission as recently as last Thursday that not only is the application complete, but that all background investigations of NIR and its principals have been satisfactorily completed. In fact, you ought to be in the position to know that I personally own an entity, SaniServ Industries Inc. that is **already licensed** by the Commission with me as the sole principal.

We take great offense to your slanderous innuendo, which is unsupported by any factual allegations by you, and, as described below, is indeed contrary to the facts, that NIR, its principals, and its parent company, Regus Industries, LLC ("Regus") are somehow tied to organized crime and lack "...good character, honesty and integrity...". Had you done even the most rudimentary fact checking, you would have learned that members of Regus, NIR's parent, include **Ramsey DiLibero**, one of the early solid waste pioneers in the United States, who is a Director of the Chester County, Pennsylvania Solid Waste Authority and an inductee in the Environmental Hall of Fame; **Dennis C. Vacco**, the former Attorney General of the State of New York; **Matthew Gourlay**, former Vice Chairman of Gleacher & Co. You could not hope for a more qualified,

Exhibit A

honorable group of individuals, each of whom has the highest level of "good character, honesty and integrity".

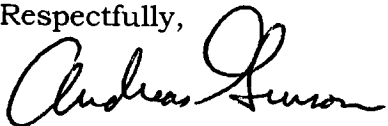
In the Resolution of the Committee on Solid Waste and Recyclables that you attached to your letter to the STB, there is clearly either a conscious effort to ignore or a failure to grasp the basic facts of NIR's Notice of Exemption with the STB. We have repeatedly asserted in both filings with the STB and in communications with state and county officials that we will indeed abide by state and county regulations, preemption notwithstanding, as they pertain to the transload operation on NIR's proposed rail lines.

In fact, as you must be aware, NIR has clearly articulated in its filings with the STB its intention to transfer an existing New York State Department of Environmental Conservation ("DEC") permit to NIR for the transload facility and in any case to operate the transload facility under the terms of that permit. Additionally, we have informed the state that we intend to enter into a Memorandum of Understanding to formalize our commitment to the terms of the permit for the transload facility. Furthermore, our application this past March to the Commission for licensing clearly demonstrates our intention to abide by Westchester law mandated in this regard.

Your conclusion that infractions of several years ago by Metro Enviro Transfer, LLC ("Metro"), the entity that NIR is acquiring, have anything to do with NIR or Regus is simply irresponsible and in any case, has no bearing on NIR's proposed rail and transloading operations. Additionally, the STB has received as part of a filing, a copy of a letter from Marc Moran, Regional Director, Region 3 of the DEC, stating that the last Notice of Violation to Metro was issued on August 22, 2002, and furthermore "...in recent years, Department staff have not identified violations at this facility of a sufficiently serious or systemic nature as to warrant legal enforcement action by the Department."

Perhaps you could use your influence and position to facilitate a dialog with the Village of Croton-on-Hudson to discuss any legitimate concerns. While to date, our numerous efforts to reach out to the Village and its attorney have been rebuffed each and every time, I am sure that the vast majority of the residents of the Village would most certainly prefer dialog over the filing of legal pleadings, and would appreciate any efforts by you to accomplish this.

Respectfully,



Andreas Y. Gruson
Chairman and Chief Executive Officer

REGUS INDUSTRIES, LLC

2730 Transit Road
West Seneca, NY 14224

Phone: (716) 675-2700

Fax: (716) 675-3996

"Solid Waste Rail Transportation, Logistics & Disposal"

August 23, 2005

Congresswoman Sue Kelly
Congress of the United States
House of Representatives
Washington, D.C. 20515-3219

Northeast Interchange Railway, LLC - FD 34734

Dear Congresswoman Kelly:

I have obtained a copy of a letter submitted by you on August 12, 2005 to the Surface Transportation Board ("STB") regarding Northeast Interchange Railway, LLC's ("NIR") (FD 34734) Notice of Exemption to commence railroad operations in Croton-on-Hudson, New York. It appears that you have been misinformed of the facts of the situation.

The transload facility on the lines of NIR's proposed railroad operation is currently permitted by, and in full compliance with, the New York State Department of Environmental Conservation ("DEC") as well as the Westchester County Solid Waste Commission ("Commission"). We have repeatedly asserted in both filings with the STB, as well as in communications with state and county officials that NIR will indeed abide by state and county solid waste regulations, preemption notwithstanding, for the transload operation.

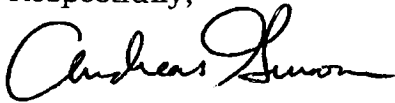
We intend to have the DEC permit for the transload facility transferred to NIR. Additionally, in March of this year, we applied for licensing from the Commission, clearly showing our intention of abiding by Westchester County environmental regulations for the transload operation. We understand from a conversation with the Executive Director of the Commission as recently as last Thursday that not only is the application complete, but that all background investigations of NIR and its principals have been satisfactorily completed. As a result, state and county environmental regulations and oversight related to the transload operation will not be compromised in any way.

Exhibit B

We are deeply disappointed that an elected official would take the time to address such an important issue without clear understanding of the facts.

While we clearly have addressed any issues of state and county oversight over the transloading operation, we would welcome the opportunity to meet with the Village of Croton-on-Hudson (the "Village") to address any legitimate concerns. Despite repeated efforts on our part to reach out to the Village and its attorney, we have been rebuffed each and every time. Perhaps you could use your influence and position to facilitate such a dialog? I am sure that the vast majority of the residents of the Village would most certainly prefer dialog over the filing of legal pleadings, and would appreciate any efforts by you to accomplish this.

Respectfully,

A handwritten signature in black ink, appearing to read "Andreas Gruson". The signature is fluid and cursive, with a large initial 'A'.

Andreas Y. Gruson
Chairman and Chief Executive Officer

REGUS INDUSTRIES, LLC

2730 Transit Road
West Seneca, NY 14224

Phone: (716) 675-2700

Fax: (716) 675-3996

"Solid Waste Rail Transportation, Logistics & Disposal"

August 23, 2005

Senator Charles E. Shumer
United States Senate
313 Hart Senate Building
Washington, D.C. 20510

Northeast Interchange Railway, LLC - FD 34734

Dear Senator Shumer:

I have obtained a copy of a letter submitted by you on August 12, 2005 to the Surface Transportation Board ("STB") regarding Northeast Interchange Railway, LLC's ("NIR") (FD 34734) Notice of Exemption to commence railroad operations in Croton-on-Hudson, New York. It appears that you have been misinformed of the facts of the situation.

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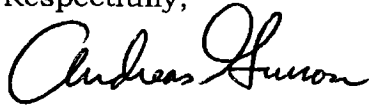
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While we clearly have addressed any issues of state and county oversight over the transloading operation, we would welcome the opportunity to meet with the Village of Croton-on-Hudson (the "Village") to address any legitimate concerns. Despite repeated efforts on our part to reach out to the Village and its attorney, we have been rebuffed each and every time. Perhaps you could use your influence and position to facilitate such a dialog? I am sure that the vast majority of the residents of the Village would most certainly prefer dialog over the filing of legal pleadings, and would appreciate any efforts by you to accomplish this.

Respectfully,

A handwritten signature in black ink, reading "Andreas Gruson". The signature is fluid and cursive, with the first name "Andreas" written in a larger, more prominent script than the last name "Gruson".

Andreas Y. Gruson
Chairman and Chief Executive Officer

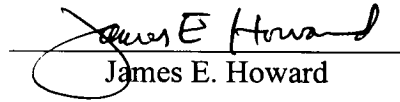
CERTIFICATE OF SERVICE

I hereby certify that this 24th day of August, 2005, I have served the "Petition of Northeast Interchange Railway, LLC for Leave to Supplement Record" by causing copies to be sent via Federal Express to the following:

Michael B. Gerrard
Arnold & Porter
399 Park Ave.
New York, NY 10022-4690

Marianne Stecich
Murphy Stecich & Powell
828 South Broadway
Tarrytown, NY 10591

Gordon J. Johnson
Assistant Attorney General and
Deputy Bureau Chief
Environmental Protection Bureau
New York State Attorney General's Office
120 Broadway
New York, NY 10271


James E. Howard